



NATIONAL REPORT – IRELAND

by

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1 National employment relations context

Because of the close ties between the British and Irish trade union movements, going back to the nineteenth century when they were united under one Trade Union Congress, the Irish system of industrial relations has evolved from the British voluntarist model, based on an adversarial problem-solving approach. Indeed, for many years after Ireland gained its independence in 1922, both systems of industrial relation and the scope of legal powers given to trade unions were governed by the same set of UK 19th and early 20th century statutes.

The legacy of the industrial and political upheavals in the first decades of the twentieth century are still, to some extent, reflected in the trade union structures today. The Irish Congress of Trade Unions (ICTU) represents trade unions in both parts of the island of Ireland, therefore, it operates under two different legal jurisdictions and two distinct political and economic entities.

The approach of business and management to industrial relations has also been dominated by the substantial trade links with Great Britain since long before Irish independence. With these close business ties and with many subsidiaries of UK companies operating in Ireland, the traditional adversarial model of employment relations, with the emphasis on collective bargaining, has been the dominant system. This system has been re-enforced in recent decades by the establishment of subsidiaries of US companies in Ireland, in particular non-union electronic, software and social media companies.

The State, for its part, supported this system by encouraging the ‘voluntarist’ model and, consequently, it has taken a minimalist approach to regulating the employment relationship through legislation. The State, however, does provide the dispute resolution machinery to maintain industrial peace within parameters agreed at

the national level, through such institutions as the Labour Court. Furthermore, the State provides services for the maintenance of workplace peace through the Workplace Relations Commission (WRC), which

*... services include the inspection of employment rights compliance, the provision of information, the processing of employment agency and protection of young persons (employment) licences and the provision of mediation, conciliation, facilitation and advisory services.*¹

In the past, because of this dominant adversarial system, information and consultation structures have not been central to the Irish system of industrial relations. However, there has been some changes in this since Ireland became a member, along with the UK and Denmark, of the EEC/EU in 1973, with the emergence of more consensual employment relations, influenced by a series of legal instruments agreed at the EU-level, but the precept of negotiating *in a spirit of co-operation* found in all EU information and consultation Directives is not an integral part of Irish industrial relations. So, where information and consultation structures, such as works councils, have been introduced, more often than not they operate in parallel to the adversarial collective bargaining process.

BREXIT

The impact of departure of the UK on these long-established trade and economic links and the Common Travel Area between the two islands is not yet clear. With Brexit coming into effect at the end of 2020, the UK (including Northern Ireland) is no longer bound to adhere to EU employment law and the UK parliament is now free to change or overturn legislation previously enforced through EU legislation and case law. However, the BREXIT Trade and Co-operation Agreement provides that there must be no weakening or reduction in the level of

¹ See <https://www.workplacerelations.ie/en/what-we-do/wrc/>

labour and levels of social protection in place at end-2020, in a manner that would impact on trade or investment, including by failure to effectively enforce these laws and standards. ²

In January 2021, the UK Business Secretary stated that the UK government would review all EU workplace related legislation. It is unlikely, however, that there would be wholesale changes to existing EU agreed employee rights, as there appears to have been a ‘rolling-back’ by the UK Government due to a negative media reaction to any diminution of existing worker rights.

An important change, however, as a result of BREXIT, is that the *European Charter of Fundamental Rights*, which is an integral part of the Treaty Establishing the European Union (TFEU), including Title IV on workers’ rights, collective bargaining, working conditions, etc., will no longer apply in the UK. Another change is that the UK is no longer able to refer cases to the European Court of Justice (ECJ) which had previously provided guidance to UK courts and tribunals on applying and aligning with EU law. On one particular workers’ right under EU legislation, the right to information and consultation through European Works Councils (EWCs), the European Commission has clarified that for the purpose of EWC legislation, the UK is now a *third country*. Consequently, it can no longer be the location of transnational enterprises’ representative agents and UK workers will no longer be included in employee threshold calculations for the purpose of the EWC Directive. As a result, many UK companies with EWC arrangements in place have moved the legal location of their EWCs. As many as 100 formally UK-based EWCs have re-located to Ireland, to operate under Irish EWC legislation. ³

² See https://ec.europa.eu/info/strategy/relations-non-eu-countries/relations-united-kingdom/eu-uk-trade-and-cooperation-agreement_en

³ See <https://www.lawsociety.ie/gazette/top-stories/ewc-exodus-from-uk-sparks-legislation-call>

With regard to changes to the regulation of electronic data, which is governed within the EU Member States by the General Data Protection Regulation (GDPR) and, although this legislation has been transposed into UK law, the UK Government has decided to circumvent its obligations by setting up a new Data Transfer International Expert Council with some twenty 'experts', including from Google, Mastercard and Microsoft. The remit of this Council is to:

*... arrange data transfer agreements with priority countries, including the US, Australia, the Republic of Korea, Singapore, Dubai and Columbia. (not the EU!) ... striking data adequacy partnerships to ensure the data protection standards in the country data is being transferred to **mirror** the UK's. ⁴*

With regard to the continued membership of Northern Ireland in the EU Single Market, while there is no reference to employment rights or EU workplace legislation, under Article 2 of the Northern Ireland Protocol there is a general obligation on the UK to ensure that there is no diminution of rights, safeguards or equality of opportunity occurs in Northern Ireland and Article 12 provides for a role for the ECJ in interpreting the application of EU laws in relation to Northern Ireland's membership of the Single Market. ⁵ The NI Protocol is disputed by the UK Government and there are ongoing negotiations between the EU and the UK Government to work out the details of how it should be implemented. ⁶

Labour force

The Central Statistics Office Labour Force Surveys (CSO LFS) show that labour force was 2,350,000 in Q1 2020, with 2,300,000 in employment

⁴ Karlin Lillington, *Net Results*, Irish Times, (Dublin), 27 January, 2022. See: <https://www.irishtimes.com/business/technology/karlin-lillington-latest-instalment-in-brexit-saga-free-flow-of-data-1.4786473>

⁵ See <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:12020W/TXT&from=EN>

⁶ These negotiations had not concluded when this report was finalised

(i.e. 115,000 (5.9%) unemployed) before the COVID-19 pandemic. As a result of the pandemic restrictions, unemployment reached 380,000 (15.5%) by Q1 2021.⁷ However, because of the rapid recovery in the economy during 2021 employment increased by 6.1% and unemployment levels have fallen to 5.1% by Q4 2021.

While the COVID-19 pandemic has caused a unique labour market situation, the key employment sectors and where the pandemic has had little impact, are in a) the production of chemical and pharmaceutical products; b) new technology manufacturing and software development; c) social media; d) financial services; and e) the indigenous food production and processing sector. At the other end of the income spectrum, such as tourism, hospitality and some aspects of food production, the pandemic has had a negative impact on employment and incomes. It also shows that almost every indicator on precarious work has increased, so jobs available to younger workers, including part-time work, underemployment, temporary contracts and more, have deteriorated relative to conditions before the economic and financial crisis between 2008 and 2012.

Employment opportunities, therefore, are mainly at the high qualification / high income sectors. Those working in the sectors, such as tourism and hospitality, have suffered disproportionately during the pandemic. Data from the LFS shows that the employment rate and participation rate had quite a way to go to return to pre-crisis levels, particularly for younger age groups. The data also shows 'over-qualification' (those working in jobs below their level of education and qualifications) rates to be of continued concern, relative to other high-income EU Member States.⁸

⁷ The CSO Labour Force Surveys are carried out quarterly. See <https://www.cso.ie/en/releasesandpublications/ep/p-lfs/labourforcesurveyquarter12021/tables/>

⁸ See <https://www.cso.ie/en/statistics/labourmarket/monthlyunemployment/>

The Nevin Economic Research Institute (NERI) outlined the structure of the Irish labour market, pre-pandemic, as:

Irish workers are more likely to be employed as ‘professionals’ or in sales and service occupations than their European counterparts. Irish employment is concentrated in the service sector, in both relatively high paying export orientated services and relatively low paying services more geared to the domestic economy. Irish labour costs are below the average when compared to peer countries. Despite manufacturing accounting for a large share of reported economic output in Ireland, the proportion of workers employed in manufacturing is actually below the Western European average. There has been a shift towards employment of those with a third level education.

Two particularly prominent features of the Irish labour market are the high proportion of those in employment with a third level degree and the low level of labour market participation for women aged 35 and over, in particular such women without a third level education. Policies directed at enabling such women to participate in the labour market have the ability to increase Ireland’s economic potential. ⁹

The LFS analysis also shows significant inequality in the growth of earnings since 2010, with the occupations associated with the highest remuneration and training driving moderate average wage increases for the economy as a whole, while incomes for much of the bottom half of workers remain static. ¹⁰

Another issue of concern for post-pandemic employment is the level of those who expect not to return to their previous jobs, especially in the younger age cohort. The CSO LFS Q4 2020 estimates that 1.2 million

⁹ See:
https://www.nerinstitute.net/sites/default/files/research/2019/an_overview_of_the_irish_labour_market_neri_wp201415.pdf

¹⁰ *ibid*

workers' jobs affected by COVID-19 and are in receipt of State support (Pandemic Unemployment Payment – PUP). However,

... some 21% of this total, 255,000, did not expect to return to the same job ... younger workers, aged 15-34 years, accounted for 44% of those who did not expect to return to the same job.

- *Unemployment pre-pandemic was 4.7%*
- *Unemployment post-pandemic could reach 16.1%! ¹¹*

2 Social Partner Structures

Trade Unions

The ICTU is the only trade union confederation on the island of Ireland, with 45 individual affiliated trade unions. It represents trade unions in both parts of the island of Ireland. Indeed, internationally the ICTU is unusual in that it also has foreign (UK) unions as members, operating both in the Republic of Ireland (RoI) and Northern Ireland (NI). Many of these unions and, indeed, unions with their headquarters in RoI, have members in both parts of the island. It is also important to note that NI has evolved its own structures and particular system of industrial relations, distinct from both RoI and Great Britain (GB). ¹²

Although the ICTU plays an important part in relations with governments in both RoI and NI, it is a grouping of independent and autonomous unions, rather than a confederation that dominates and directs member unions. However, through the ICTU the trade union movement develops common positions on matters of national and EU concern, such as employment creation, unemployment, health and safety, education and social welfare, industrial relations reform and

¹¹ Social Justice Ireland *Employment Monitor* May 2021.

¹² The NI Committee of the ICTU deals with the specific issues related to employment relations in NI and liaises with the UK Trade Union Confederation (TUC) on issues related to the UK as a whole.

legislation. The ICTU also monitors the industrial activities of unions - especially where strikes are likely or on inter-union disputes - it is a channel for solidarity and support, as well as providing services through its industrial relations staff in seeking to resolve the issues in dispute. The ICTU also represents the Irish trade union movement at the EU and international levels through the ETUC, the Industrial Federations and the International Labour Organisation.

There are some 720,000 members of the ICTU affiliated unions, a reduction of 80,000 since 2011. The membership is distributed as follows:

- 521,000 members are in the RoI (50% in Private Sector enterprises and 50% Public Sector employees)
- 200,000 members are in NI (35% in the Private Sector and 65% in the Public Sector)
- Of the ICTU affiliated unions:
 - 22 are registered in RoI
 - 21 are GB registered
 - 2 are NI-only Public Sector unions
- 9 of the GB-based unions also have members in RoI
- 3 of the RoI registered unions have members in NI
- There were 393,000 women members - 54% of the total ICTU membership. ¹³

According to the CSO LFS, with the decline in employment following the financial/economy crisis 2008-2012, trade union membership also declined. However, with the recovery of the economy and resulting

¹³ All statistics are from Annex 3 of the *Report of the Executive Committee to the Biennial Delegate Conference Irish Congress of Trade Unions*, October, 2021. The ETUI Workers Participation website gives similar membership numbers: See <https://www.worker-participation.eu/National-Industrial-Relations/Countries/Ireland/Trade-Unions>

employment levels in recent years, the LFSs indicate that unionised numbers have also recovered.

Over a quarter (26%) of those at work surveyed in Q2 2021 said that they are union members, so despite a rise in employment the last ten years (2011 to 2021),¹⁴ LFS figures show that unionisation has declined from 31% in 2011. However, membership density held steady during these ten years (with an increase of just 3%), while employment levels in the RoI increased by over 22%.¹⁵ This reflects changes in the labour market as unions have found it difficult to break into many of the new growing sectors of the economy, such as ICT, electronics, pharmaceutical companies and private services, many of which belong to foreign (mainly US) multinationals.

Science, Industrial, Professional and Technical Union (SIPTU)

There are several large unions as members of the ICTU. For example, FORSA, a public service union, with 89,500 members; UNITE the Union, one of the GB-based unions, has 53,000 members (20,200 in RoI and 33,000 in NI); the Irish National Teachers Organisation (INTO) with 49,700 (42,600 in RoI and 7,100 in NI); and one of the NI-only unions, the Public Service Association (NIPSA) has 42,000 members.

However, the trade union with by far the largest membership is the general union, SIPTU, with 180,000 members (7,000 in NI). It has members in virtually every category of employment across almost every sector of the Irish economy, North and South of the island. SIPTU lost 40,000 member during the financial and economic crisis after 2008. During that period of economic recession its focus was on preserving the jobs of its remaining members.¹⁶

¹⁴ <https://www.cso.ie/en/statistics/labourmarket/labourforcesurvey/lfstimeseries/>
Tables 1 and 2

¹⁵ *ibid*

¹⁶ Gerry McCormack, Deputy General Secretary, Private Sector, SIPTU, give a presentation on the background

It is organised along divisional lines, rather than on a regional basis.

The SIPTU Divisions are:

- Health
- Manufacturing
- Public Administration and Communities
- Services
- Transport, Energy, Aviation and Construction.

Each Division is led and co-ordinated by a Divisional Organiser and an elected Divisional Committee. Within each Division activities are further divided around its Business Sectors, dealing with union operations in similar employments and associated services. Each Business Sector is led and co-ordinated by a Sectoral Organiser and an elected Sectoral Committee.

SIPTU plays a major role in the Irish Congress of Trade Unions on policy matters and national trade union strategy. Through the ICTU SIPTU is committed to develop co-operation between its members and the members of other trade unions, particularly in enterprise where the employees are represented by several unions. In many such workplaces there are joint union negotiating committees, works councils or other joint union structures.

Also, in many towns and cities across the island, the local branches and sectors of the various trade unions co-ordinate their activities on local matters of common concern through Trade Union Councils and SIPTU is to the fore in these Trades Councils.¹⁷

Employers

to social dialogue in Ireland to the DIRECT Joint IE / UK seminar, Belfast 5 & 6 March, 2018

¹⁷ See <https://www.siptu.ie/aboutsiptu/>

The Irish Business and Employers' Confederation (IBEC) is the major organisation representing employers in the labour market. Its membership included some 7,500 businesses and enterprises organised through 40 business and sectoral associations, employing some 70% of private sector workers in Ireland. Technology Ireland is one of the IBEC sectoral associations.

The role of IBEC is to develop and co-ordinate economic, commercial and social policies for employers and to influence national decision-making, so that national policies are enterprise and employment friendly. It represents Irish business and industry in discussions on matters of trade, economics, finance, taxation, planning and development, with the Irish Government, the EU institutions (through BusinessEurope) and other international organisations.

All business sectors are represented by IBEC, apart from the construction industry, which has its own sectoral employers' organisation, the Construction Industry Federation (CIF), which represents 3,000 member companies operating in various parts of the building and construction sector and the agricultural sector which is organised through the Irish Farmers Association and a number of smaller niche organisations, such as the Irish Creamery Milk Suppliers Association.

3 Technology in the Irish Labour Market

Ireland was an early participant in the development of a new information and communication technologies (ICT). It was an early location for computer manufacturing, providing high level and highly remunerated employment in an emerging international sector. The manufacture and assembly of hardware equipment led to the emergence of indigenous software enterprises and a key business sector which has become a world leader in software design. In more recent years the major social media companies have selected Ireland as their headquarters for the European, Middle East and Africa (EMEA).

Most of the major tech companies in the world, such as Apple, Microsoft, Dell, Intel, IBM, SAP, Facebook, LinkedIn, Twitter, HubSpot, eBay and PayPal are all located in Ireland. It is estimated by the Industrial Development Authority (IDA) that there are almost 1,000 tech manufacturing companies in Ireland ranging from the global superpowers to embryonic start-ups. While it is estimated that there are some 900 software companies with development centres in Ireland, ranging from major transnational to small indigenous enterprises, generating €16 billion of exports annually. ¹⁸

The technology sector contributed an estimated €44 billion to the Irish economy in 2020. Incomes in the sector are approximately 50% higher than in the rest of the economy, with some 105,000 employees, ¹⁹ while it is estimated that the percentage of the Irish population using the internet on a daily basis in January, 2021 was 91%. ²⁰

Top technology companies

The investment and involvement of IT companies in the Irish economy has resulted in the four top companies and seven of the top twenty operating in Ireland are all major multi-nationals, employing 75,200 (approximately): ²¹

- | | |
|-----------------------------------|-----------------------|
| 1 Apple Ireland (6,000 employees) | 2 Google (7,000) |
| 3 Microsoft (2,700) | 4 Facebook (6,000) |
| 12 Dell Ireland (2,000) | 13 Trane Construction |

Technologies

- | | |
|-------------------|----------|
| 16 Oracle (1,500) | (50,000) |
|-------------------|----------|

Artificial Intelligence and Robotics

¹⁸ <https://www.idaireland.com/doing-business-here/industry-sectors/software>

¹⁹ See *Future Needs, Future Thinking 2021* Technology Ireland, www.technologyireland.ie

²⁰ <https://datareportal.com/reports/digital-2021-ireland>

²¹ *Top 1000 Companies* Irish Times, June 2021.

A current focus of research and innovation is now on artificial intelligence (AI) and robotics. According to Eurostat, Ireland has recorded the highest share of enterprises (23%) that used any of the four considered AI applications in 2020.²² The instillation of high-speed cyber-optic cabling and more powerful semi-conductor microchips are providing the tools for industrial, educational and social applications of algorithms for AI, robotic and machine learning.

*In the last ten years AI and machine learning are having a huge impact on our lives. Healthcare, security, business, finance and education have experienced the most important changes.*²³

The Covid-19 pandemic is speeding up the application of AI, as working-from-home employees need access to reliable and secure high-speed communications.

To facilitate these developments, the Irish Government has published its national strategy which sets out a vision for Ireland as a leading centre in the use of AI through a people-centred and ethical approach to AI adoption and use.

Underpinning our Strategy are three core principles to best embrace the opportunities of AI – adopting a human-centric approach to application of AI; staying open and adaptable to new innovations; and ensuring good governance to build trust and confidence for innovation to flourish, because ultimately if AI is to be truly inclusive and have a

²² <https://ec.europa.eu/eurostat/web/products-eurostat-news/-/ddn-20210413-1> The four AI applications used by Eurostat are: a) Machine learning to analyse big data internally; b) A chat service, where a chatbot or virtual agent generated natural language replies to customers; c) Use of service robots, which are characterised with some degree of autonomy, for example to carry out cleaning, dangerous or repetitive tasks such as cleaning up poisonous substances, sorting items in the warehouse, helping customers in shopping or at payment points etc.; d) use of natural language processing, natural language generation or speech recognition.

²³ Alessia Paccagnini, Smurfit Business School, University College, Dublin, in an article by Sandra O'Connell, Irish Times, 23 July 2021: <https://www.irishtimes.com/special-reports/ai-focus/ai-has-changed-the-way-the-world-works-and-offers-rewarding-careers-1.4621301>

positive impact on all of us, we need to be clear on its role in our society and ensure that trust is the ultimate marker of success. ²⁴

The Government is also backing research, including through the Centre for Applied AI (CeADAR),²⁵ and Trinity College, University of Dublin, has launched a new artificial intelligence accelerator programme, while the University of Limerick is pioneering new integrated undergraduate and masters' degrees in partnership with technology and software enterprises, including Stripe, to support new AI based start-ups.²⁶

4 Workplace Representation

Representative participation

There was no statutory system for permanent employee representation in the Private Sector in Ireland. Those who worked in unionised workplaces have representation through the trade unions. In most cases, employees are either represented through their unions, or are not represented at all.²⁷ However, new legislation to facilitate such arrangements was introduced as a result of the EU Information and Consultation Framework Directive (2002/14/EC). Unfortunately, there are no recent definitive studies providing information on how many, if any, company-level agreements have been concluded as a result of this legislation.

However, within the Public Sector, State agencies and Semi-State commercial companies do have statutory works council type bodies for information and consultation – so-called sub-board or partnership structures – as part of a general framework of participation, but, again, these function parallel to the adversarial industrial relations

²⁴ <https://enterprise.gov.ie/en/Publications/Publication-files/National-AI-Strategy.pdf>

Foreword to the *National AI Strategy, July 2021*, by Robert Troy TD, Minister of State responsible for Trade Promotion

²⁵ <https://www.ceadar.ie/>

²⁶ O'Connell, Irish Times, op cit

²⁷ *Informing and Consulting with the Workforce - What the New Directive means for Ireland's*

Voluntarist Tradition O'Mara C (2003) Commercial Law Practitioner 15 at 16

arrangements. Also, five Semi-State companies and six State Agencies have employee board-level representative arrangements (EBLRs), known as Worker Directors.²⁸

Direct participation

One aspect of the National Partnership Agreements (from 1987 and 2009) was the inclusion of a series of local social dialogue agreements, that lead into the development of workplace innovation and were evolved further into enterprise-level direct participation arrangements. This development was also in the context of a range of employee involvement legislation at the EU level, such as the Directive on workplace information and consultation, European Works Councils (EWCs) and employee board level representatives in European Companies (SEs). With regard to EWCs, SIPTU officials have found these useful for getting advanced information of transnational company policies and proposed changes and as an early-warning system.

Research findings published over a period of some seventy years demonstrate convincingly that the introduction of empowering workplace practices, including direct participation, leads to significant gains in productivity (*between 20% and 60% in some studies*²⁹) and other performance indicators, including employee engagement, health, and well-being. Survey evidence appears to show that only 15% of companies operating within the EU are estimated to use workplace innovation practices systematically throughout the organisation. The major obstacle to the introduction of workplace innovation is the reluctance of management to relinquish control within the enterprise

²⁸ *Challenges and way forward for worker participation in Ireland* – O’Kelly KP PowerPoint presentation to ETUI Conference, Dublin, 23 January 2020

²⁹ Presentation by Prof Peter Totterdill, UK Work Organisation Network and Workplace Innovation Europe CLG to the DIRECT Joint IE / UK seminar, op cit.

or to admit that it would improve productivity and output. the challenges of digitisation add further urgency to the question. ³⁰

There is a powerful technological narrative around the potential of automation to remove repetitive work and enhance the rational organisation of work, but this sits uneasily with new ways of unleashing human potential through open innovation and employee-driven innovation based on dialogue to bridge this gap between technology and workforce potential. European workplaces need to create a culture of innovation based on synergies between:

- ‘Voice’ at the strategic level, regular opportunities for reflection, creative thinking and continuous improvements
- Re-structuring of the organisation as a whole to reduce hierarchy and remove silos
- Self-management teams and individual job discretion.

This approach is a key part of the *Essential Fifth Element*:

... an integrated approach to workplace innovation, creating high performance,

engagement and great places to work. It builds workplaces where people at all

levels can use their knowledge, talent and creativity to the full. ³¹

The Role of the IDEAS Institute ³²

Consequently, trade unions, and SIPTU in particular, adopted a policy of not initiating disputes but of working with companies in trouble to assist them protect employment through the introduction of joint workplace innovation arrangements. The objective was to make Irish companies more competitive and to preserve jobs. However, for this

³⁰ *ibid.*

³¹ See <https://workplaceinnovation.eu/tag/the-essential-fifth-element/>

³² Presentation by Tony Murphy, The IDEAS Institute, to the DIRECT Joint IE / UK seminar, *op cit.*

to be successful all parties had to 'buy-into' the process – i.e. senior and middle management, the workforce, the trade unions, etc.

The IDEAS Institute was established in February, 2001, by SIPTU, as a limited liability company. It is an independent corporate body that operates within the commercial sector and is a registered charity.

The Institute provides workplace innovation and training with the aims of sustaining employment and union membership, reducing job losses, helping to create new jobs, enhancing workers' skills, and promoting union organisation while also assisting company competitiveness. It is a key player in this strategy by providing training for all levels within participating companies. It is estimated that every job lost in the economy cost the State €20,000, so the preservation of employment was prioritised. ³³

Its purpose is to facilitate change in enterprises through *genuine* employee involvement. The work of the Institute with Irish enterprises follows on from a commitment in the National Social Partnership Agreement, *Towards 2016*, ³⁴ to set up a High Level Group to develop a strategy for the manufacturing sector. In the Group's reported in 2008 it is noted that

Successful firms will engage in developing a participative culture, where management and staff work collectively to ensure the success and longer-term sustainability of the firm to the benefit of all. ³⁵

Consequently, in November 2011, a *Joint Policy Initiative* to implement workplace innovation through SIPTU's Manufacturing Division was adopted at a Strategic Manufacturing Conference. To implement this

³³ Gerry McCormack op cit. See also <http://ideasinstitute.ie/about/>

³⁴ *Towards 2016: Ten-year Framework Social Partnership Agreement* Dept of An Taoiseach, 2006, page 20

³⁵ See

http://edepositireland.ie/bitstream/handle/2262/76799/forfas080402_manufacturing_report.pdf?sequence=1&isAllowed=y

strategy all stakeholders, including the relevant Irish State agencies, would be involved and the key policy objective was to save jobs -

*... we must change, develop and improve, if we are to ensure survival and growth into the future ...*³⁶

Keegan and O'Kelly noted that change is difficult, so workplace innovation is a challenge to all players within a company. All those involved need to understand and 'buy-into' why workplace innovation is being introduced and why change is necessary. At the outset, there is a need to 'win hearts and minds'!

When it is decided to introduce change within a workplace it can be done by:

- Rational discussion – this rarely works
- Power (most common approach) – generate opposition
- 'Hearts and minds' – preferred option but requires real leadership.

Interventions by the IDEAS Institute use a combination of the positive elements of all three approaches by adopting a joint trade union/management approach and it is organised as following:

- A joint steering committee is set up to oversee the process
- Joint team training to develop the 'vision for the future'
- A joint steering group is responsible for monitoring progress and providing support.

This 'winning' philosophy:

Builds TRUST and UNLOCKS the CREATIVE POTENTIAL within the ENTIRE WORKFORCE!

In academic literature seven areas of waste in production have been suggested -

Transport

³⁶ *Applied Benchmarking for Competitiveness – A guide for SME owner/managers* R Keegan and E O'Kelly, Oaktree Press, Cork (2004)

Inventory

Motion

Waiting

Over production

Over processing

Defects

The IDEAS Institute adds an eighth to this list, which, it argues, is the greatest waste of all – Skills

Its focus, therefore, is on tackling the waste of SKILLS in the companies it works with.

5 Research Methodology

The IDEAS Institute explored the link between the introduction of new technologies, as defined in project definitions ³⁷ and of direct participation ³⁸ through three study methods, i.e. questionnaires; a focus group; and two case studies.

Questionnaire responses ³⁹

The agreed questionnaires were distributed to a number of selected managers and employees. The respondents were from a range of business sectors: pharmaceuticals; manufacturing; medical devices; and chemical. They were from enterprises that are all 100% unionised and all had well established forms of internal communications with

³⁷ Automation: the substitution of human input by machine input

Digitalisation: the transformation of physical objects and documents into *bits* (and vice versa) from: *Game-changing technologies: Transforming production and employment in Europe*,

https://www.eurofound.europa.eu/sites/default/files/ef_publication/field_ef_document/ef19047en.pdf Also, see the Executive Summary:

<https://www.eurofound.europa.eu/sites/default/files/ef19047en1.pdf>

³⁸ *Conceptualising Direct Participation in Organisational Change – The EPOC Project* European Foundation for the Improvement of Living and Working Conditions, Dublin (1994)

³⁹ See Annex 1 for the full results of the questionnaire responses.

high levels of ‘social dialogue’ through the trade union representatives, but also included well established collective bargaining arrangements (83%) and agreed internal problem-solving mechanisms (also 83%). There were also high levels of other employee participation arrangements in these enterprises, such as representation through works councils (67%), with workforce representatives participating in European Works Councils (EWCs) (83%).

However, only a third of respondents said they have a policy on DP, as outlined in the definition, with 50% saying that some form of DP has been introduced into their enterprise. Another third state that the main form of DP is *Consultation with the Work Group* and a further 33% said that work related decisions are delegated to the work group.

With regard to changes as a result of the introduction of DP, the responses show that there was no change to employment contracts, but that it did result in changes to the remuneration system in 33% of enterprises – there is no indication from the replies what these changes were.

Fifty per cent of the respondents said their enterprises introduced some form of new technology within the past five years, with automation (50%) and new software (33%) been the most frequent forms. The introduction of new technologies also resulted in changes to the levels of employment (67%). However, there is no indication was this an increase or a decrease in employment levels. There was also an 100% increase in skill levels and in the qualifications in workforces, in new production systems, such as lean production (50%), and in work organisation (67%), with the introduction of team working in 50% of responding enterprises. However, few changes to health and safety rules were noted (just 33%), or to working time arrangements (17%).

If DP is to be successful within an enterprise, trust levels between and within all levels of management and the workforce are essential. The

questionnaire measured these through a series of questions and found that, on the whole, such trust levels were said to be *very high* –

- Between the company board and senior management (83%)
- Between senior management and supervisory management (83%)
- Between work colleagues (83%).

However, as could be expected, trust levels between workers and their immediate supervisor/manager, while still considered *very good*, were found to be 50% in responding enterprises.

The responses indicate that the COVID-19 pandemic has had a major impact on enterprises across all business sectors and the responses indicate that companies have taken the health and safety of the workforce very seriously. Working from home, where possible, was introduced in all the responding enterprises, resulting in the use of information, communications, technologies (ICT), such as the use of the internet/intranet were available, e-mails and mobile ‘phones (50%), and in video conferences in all enterprises.

Focus Group on DP

The IDEAS Institute, in co-operation with the SIPTU Trade Union College, carried out a *focus group* discussion with a class of shop stewards participating in a college accredited industrial relations course, which including modules on Irish employment legislation. All the focus group participants were employees of unionised companies in manufacturing and services sectors and had a range of qualifications and skills, such as information technology support, logistics, healthcare and social services. Their observations on direct participation were as follows:

1. Characteristics of DP: 56% of the focus group participants said that their places of employment had some form of participation, with monitoring safety issues and performance the operational issue where there was forms of participation. Responses from participants were

some form of DP in in place in their place of employment indicated that:

- a. Tool-box meetings were held every week, mainly to discuss safety issues
 - b. There is day-to-day interaction between staff and management.
2. How extensive is DP?: Where some form of DP is in operation, it would appear to vary greatly in importance. Tool-box meetings seem to be popular, but, as one respondent observed: *'these don't lead to anything'*
3. What forms of DP are in place?: In those enterprises where DP in used, the comments on the forms in place were:
- a. Some 'token' consultation when there are large changes under way
 - b. Supervisors and managers are invited to attend Safety Committees
 - c. There is no individual DP, all forms are in 'work groups'.
4. What is the most common form of DP?: A third of the members of the focus group said that tool-box meetings were the form used in their workplaces. Also one-to-one meeting were held with supervisors in 22% of cases.
5. What categories of employees participate in DP?: From the responses, the categories of involved employees is extensive in the focus groups participants' workplaces
- a. All staff in a third of enterprises
 - b. In 22% of enterprise, 'select' members of staff are involved.
6. What issues are covered by DP?: A wide variety of issues were highlighted, such as:
- a. Health and safety issues
 - b. A change in the company logo

- c. Job completions
- d. IT and staff issues.

7. What were the reasons for introducing DP?: A wide variety of reasons were proposed. Most seem to be positive, but some responses indicate an element of mistrust in management motives:

- a. To break down barriers
- b. To pacify workers!
- c. Introduce or impose change
- d. Improve levels of safety
- e. To make staff aware of issues
- f. Improve communications
- g. Solving problems before they 'get out of hand'.

8. Does DP reduce the influence of the trade unions?: While there were some concerns about the impact on trade unions, a third of the focus group participants did not think so. Other responses include:

- a. It can reduce unions' influence, both positively and negatively!
- b. If done properly, it could reduce the influence of unions!

These results show that many unionised organisations don't engage in forms of DP and, where they do, it is through the *consultation* form, rather than the *delegation* form. The results highlight the suspicion, low levels of trust and barriers to progress that exist in many organisations, including those that engage in some form of DP. Tool-box meetings appear to be a common approach by management to engage with workers and these tend to focus on regulatory issues, such

as health and safety and on immediate operational problems, rather than on long-term *continuous improvement* strategies. As expressed by one of the participants in the focus group discussion, the fact that *very little weight is given to employees' suggestions* still dominates. The findings indicate that there are many real challenges when introducing DP into unionised organisations where there are issues with worker/management suspicion and low trust.

6 Report of company case studies – DP, technology change and COVID-19

Case Study 1 - Workplace Innovation ⁴⁰

This company is a high-tech, high-spec, high-volume medical device manufacturer. It employs 1600 people and all its output is exported to Europe, the Middle and Far East.

The Irish site got into competitive difficulties following the economic and financial crisis (2008-2012) and cost savings were required to save the site from closer. As the enterprise is highly unionised negotiations were conducted through the WRC, which issued two separate recommendations. These were accepted by both sides and as result there were 150 voluntary redundancies and a survival plan was put in place. Part of the WRC recommendations was that the IDEAS Institute work with management and unions to facilitate the implementation of the survival plan.

As part of the plan, the concept of *Workplace Innovation* was introduced to the company management and the trade union group by The Institute in 2014. Both parties could see the potential benefits of working together where the individual knowledge and expertise of all workers is actively sought and valued through joint problem solving.

⁴⁰ This enterprise has agreed to participate in the DIRECT 2 project on the basis of anonymity.

A formal agreement for the implementation of this *workplace innovation* technique was reached in 2016. Since then some 150 employees have received formal accredited training in *Workplace Innovation, Teamwork and Problem Solving*. They are now actively engaged in identifying and fixing problems in their work areas. To implement this innovative approach, teams of workers are formed to investigate problems and they make decisions and/or recommendations that are actively supported and implemented. Formal accredited training is available to all employees.⁴¹

For example, one team, while investigating a particular problem which affected their area of work, discovered inaccuracies in the Standard Operation Procedure (SOP) they were using. They investigated the discrepancy and, in doing so, identified the root cause of the problem and re-wrote the SOP, thus permanently eliminating the problem.

So those employees who have completed the training programme are now more confident in highlighting and fixing problems. Workers who have yet to participate in the training programme take the lead from their trained colleagues and are now more confident in highlighting and discussing production issues. A positive momentum has been built up and workers are anxious to learn new skills and acquire an accredited qualification.

In order to provide continuous support for active teams, the company set up a new department, *Operational Excellence*, to: 1) assist teams in their day-to-day problem-solving activities; and 2) sustain all resultant gains and/or improvements made. This investment is universally seen

⁴¹ This accreditation training is a recognised qualification under the Irish third-level educational system. Quality and Qualifications Ireland (QQI) is the state agency responsible for promoting the quality, integrity and reputation of Ireland's further and higher education system. It ensures that learners achieve qualifications that are valued nationally and internationally and it provides information on the qualifications included on the National Framework of Qualifications and is linked into the European Qualifications Framework (EQF)

as a real measure of the company's commitment to *workplace innovation*.

New employees regard the factory as a good place to work. It is a clean, safe environment with union negotiated pay and conditions. Some of the older workers have never worked anywhere else and would have no experience of working in different environments or more difficult industries. The new, younger workers are more positive towards participating in the training, as they realise the benefits of acquiring new skills and qualifications that may provide the opportunity to pursue promotional opportunities in the future. In general, they also have a better overall standard of education, when joining the company, than the older workforce, with many having completed second-level and/or attended third-level courses.

As a result of the increase of employment to 1,600 since the survival plan was implemented, SIPTU membership has increased from 650 members in 2014 to approximately 1150 in 2021.

During this period of transition, there have been no changes to the negotiation arrangements on remuneration arrangements or changes to work contracts.

New Technologies

As a result of the positive impact of the *Workplace Innovation* approach, since 2018 the company has invested heavily in expanding the production capacity and size of its operations on this site. New technologies, in the form of highly automated high-speed new processes, new production systems, including automated inspections and additional automated production lines have been successfully introduced. This expansion has contributed to the manufacture of larger volumes of higher specification products. The expansion also includes the establishment of an Advanced Development Laboratory

where highly skilled technicians conduct clinical trials on products and processes.

The introduction of these new technologies has led to upskilling and an ongoing requirement for additional training. This substantial investment is seen as a statement of future intent by the company that it is putting down deeper roots and, therefore, is increasing job security for all employees. Also, the emphasis on training has increased opportunities for personal development and has also created many promotional opportunities.

COVID-19

Through the structures set up as apt of the *Workplace Innovation* strategy, before COVID-19, a range of internal joint meetings were in place, such as regular local area meetings on the shop floors, monthly meetings in the production area, attended by the SIPTU shop stewards, where relevant local issues were discussed and they attended these meetings. There were also bi-monthly meetings, attended by senior managements and the SIPTU organiser.

However, with the onset of the pandemic all of these meetings ceased and the emphasis was then placed on ensuring the health and safety of the entire workforce. For example, a joint committee was established which included two trade union representatives, was set up to deal with the implementation of COVID-19 protocols. There were worker concerns around such challenges as:

- Organising breaks, work area configuration and canteen arrangements
- Shift change-over, so as to ensure there is no mixing of shift 'bubbles'
- Changes to the entrance / egress routes
- The supply of face masks and other PPE, as required.

How to deal with these and other health and safety issues were discussed by the joint committee, agreement reached and new arrangements implemented. Safety protocols have restricted movement of people and materials around the plant. The nature of the production processes makes it very difficult for the majority of employees to work from home, however, where possible this was also accommodated.

Large gatherings are now suspended in line with COVID-19 restrictions and protocols and have been replaced with various alternative means of communications. On-line *town hall* 'cascading/top-down' type meetings are now used to convey corporate messages on such issues as business performance updates, new initiatives, promotional opportunities and social news. The intranet, e-mails and company notice boards are now also used more extensively, while opportunities for 2-way discussions in small groups are severely curtailed thus negatively impacting on normal group dynamics/creativity and the activities of work teams.

If an employee had an issue relevant to the HR Department or a health and safety issue, he/she can now make contact directly via e-mail. This facility is very useful for those working on night shifts or at weekends. The workforce had been regularly consulted by management on a variety of issues, including any proposed changes in working conditions and any revision of shift patterns. These matters became more important as the COVID-19 pandemic restrictions were implemented.

However, the resultant separation has led to a sense of isolation by some workers. This has been acknowledged and the common cause of ensuring employee safety versus the loss of individual rights was treated sensitively. As restrictions are eased, it is recognised that there will be a need for people to be 're-calibrated' to help ease tensions as people begin working together again. The company is very aware of

the national and local trends and is rigidly implementing, and enforcing, every possible prevention measures.

Case Study 2 - Fleetwood Paints

Fleetwood Paints is a family-owned Irish paint manufacturer, founded over seventy years ago. Its factory is based in a rural setting, close to the small town of Virginia, Co Cavan. It produces approximately 470,000 litres of paint per annum and has a workforce of 150. However, it experienced difficult times, as it struggled financially following the economic and financial crisis after 2008. In response to this challenge it actively sought, and won, new customers in Nigeria and Ghana, thus stabilising the business.

During this time, the company had a climate of poor industrial relationship. For example, during pay negotiations in 2013 talks were conducted from separate rooms. Senior management did not engage directly in the talks and a middle manager was used as a 'go-between', commuting between the two rooms as negotiations proceeded. The managing director remained in his office throughout the process and did not engage in the talks or directly with the trade union side. Despite these difficulties a pay deal was finalised, but an overall adversarial atmosphere and mis-trust still prevailed.

As a result of this poor relationship, the IDEAS Institute was invited to explore with both parties, the potential benefits of moving to a new and different model of employment relations. Direct participation and workplace innovation were discussed and it was agreed to implement a joint union-management approach to try and resolve the many and variety issues, such as the poor employee/management relations, the company cultural and the production challenges facing the company. It worked closely with the company management and workforce on building teamwork and introducing a wide range of problem solving techniques.

As many of the workforce had been ‘institutionalised’ as a result of years of working under an old-style Taylorist, adversarial management regime, there was a high level of scepticism with any proposals for a culture change. However, eventually and the entire workforce participated fully in the process, led by the trade union shop stewards. The key selling point for the success of the initiative, was that all employees (production operators, clerical/admin. workers, laboratory technicians and managers) would undergo six days of structured training together and, upon successful completion, would receive a formal NFQ/EFQ accredited qualification.⁴² This qualification was seen as worthwhile having, as it would be very useful in seeking internal promotions or exploring new employment opportunities outside the company.

The nature, format, and content of the training meant that many of the old formal barriers were broken down between senior managers and workers. As a result, the adversarial nature of industrial relationships slowly began to change. Younger, newer managers are more comfortable operating in this new emerging participative culture, however, some of the older, and well-established managers struggled to made adjustments to their traditional management styles in this new work culture.

The use of direct participation, worker involvement and workplace innovation has contributed to the current good business situation. Previously the shop stewards dealt mostly with industrial relations issues, but the establishment of the joint union-management steering committee has provided a new and safe forum for wider discussions on a wider variety of issues of mutual concerns. These discussions now take place in a structured, constructive and non-adversarial climate. There is universal agreement that major changes in the work culture has resulted from the introduction of *direct participation*. The

⁴² Ibid.

workforce is now more engaged, employee esteem levels have grown and the management style is more relaxed. All these parameters have contributed to a better working environment and a more competitive business.

New Technologies

As *Just-in-Time* is no longer seen as a viable option for the business, due to supply chain issues, which include uncertainties resulting from Brexit, but also climate change, power outages in China, and ships getting stuck across the Suez Canal, planning permission and the associated fire safety certificate have been granted to build a new production unit, starting in 2022. This new production facility will increase production capacity substantially.

To advance this project a team was formed, consisting of the project manager, production manager, laboratory staff and operators who will work in this new unit, to optimise the new plant layout. The team has marked out the proposed unit's 'footprint' and identified machine positioning, process flow, access for forklifts, lighting, and the overall area layout. This approach utilises the considerable process knowledge of the workforce to ensure optimum return on this major investment.

As this team work has been so successful, a similar approach will be used when planning approval is granted to extend the existing warehouse capacity, to meet the increased production output of new unit. Thus, it is now becoming strategically important to carry more stock, so when customers order paint, it is available for immediate delivery.

New technologies for order processing and assembly-picking, such as *Voice-picking* will be considered for use in this new warehouse. The company has adapted a 'we know nothing' (which is a good place to start) approach to the use of new technologies and is always willing to

explore the latest technological developments relevant to its manufacturing process.

COVID-19

The outbreak of Covid has 'dominated business' activities in the past two years. The factory was required to close in response to Government restrictions in March, 2020. However, it was soon realised that there would be a shortage of essential paints required for signage and other public information media on pandemic restrictions by the national and local authorities. As a result of requests from An Garda Síochána (police force), the Hardware Association, the Paint-makers Federation and the employers' organisation, IBEC, the manufacture of paint was deemed an 'essential service' and Fleetwood was cleared to re-open shortly into the first lockdown in 2020.

However, many employees were concerned about returning to work, were uncertain about their future and frightened about the health risks. Consequently, all precautions were taken to ensure worker welfare. Safe areas were designated, screens were installed and staff segregated. Temporary canteen facilities were set up, so that, during breaks, workers could stay within their respective 'bubbles'. The company also supplied PPE equipment to all employees and developed and manufactured their own hand sanitizers and disinfectant wipes.

Formal procedures were developed using inputs from all staff to ensure the safety and health of every employee and the development of the *employee safety-first* policy. This policy took precedence over operational issues and inputs from staff were sought and these frequently delivered creative solutions to operational challenges. The H&S officer initiated, and continues to hold, weekly meeting seeking inputs on how to work safely in this difficult environment. One example of 'thinking-outside-the-box' in developing solutions to keep the business going and meeting the rapid growth in demand, is when extra

staff are required, workers are recruited from among the families of the existing workforce, thus ensuring ‘family bubbles’ are maintained

A small number of staff, mainly the office staff, opted to work from home for health reasons and concerns and this was facilitated, where appropriate. These staff members were supplied with the necessary equipment to work from home, such as computers, printers, and improved broadband.

COVID-19 has massively impacted the entire workplace and the company response to ensure health and safety of the workforce superseded business activities, thus generating enormous goodwill within the workforce. Shift patterns were adjusted, work area layouts re-organised thus allowing everybody to safely focus on making paint!

This experience of working together was deemed *to be easier* as a result of the cultural change, the experience with teamwork, ‘brainstorming’ and the ‘problem-solving’ training provided by the IDEAS Institute. Thus, this team culture, already developed and practiced in the company, made it easier to respond to the many challenges posed by COVID-19.

Commitment to Community

Fleetwood is a family-owned company, located in a rural setting with a strong sense of local community, so it has also initiated a series of *family-friendly employment policies* that reflect these family and community values. It is also striving to contribute to the UN Millennium Development Goals, in particular Goal 3 on *Gender Equality and Empowering Women* by introducing a policy on how to address menopause and fertility issues and a policy on LGBT equality; and Goal 7 on *Ensuring Environmental Sustainability* by looking for ways to reduce the plant’s water consumption, a major ingredient in the manufacture of paint, and by exploring the installing of solar panels on

its extensive number of large buildings, to augment its electricity usage.

Essential workers living and working in the small rural community received bonuses from local businesses to compensate them for their extra efforts during the pandemic, including rewards given in Fleetwood. In summary, there has been 'no change' in the use of DP, but it is acknowledged that participation has increased across the workforce and that COVID-19 has blurred traditional boundaries and everybody is focused on working to stay safe.

CASE STUDY 3 – KIRCHHOFF IRELAND

Kirchhoff Automotive Global is a major transnational enterprise (MNC) in the automotive sector. It is a 150 year old, family owned company, now under the direction of the fourth generation of the family. It employs 9,000 employees in 26 production plants in 11 countries. Kirchhoff Ireland supplies complex stampings and complete assemblies to global automobile manufacturers, such as BMW, General Motors and Ford among its largest customers. The plant was established in Letterkenny, Co Donegal, in 1981.

The Irish plant has always had a challenge to stay competitive on cost and quality within the global company. Issues of both quality and cost competitiveness were highlighted as real threats to the future viability of the plant, so after the initial meetings with SIPTU, management agreed that the skills, knowledge, intellect and expertise of the entire workforce, could be harnessed to resolve the problems facing the plant.

This approach to its business challenges required vision and leadership as both management and the workforce jointly embarked on an exploration of *Workplace Innovation*. To structure this new approach, a *Joint Union Management Steering Team* (JUMST) was formed and trained. A joint vision for the future was developed, agreed and

communicated to all employees. This became their “roadmap” for reducing waste, machine downtime and improving quality.

The IDEAS Institute was also invited to provide the basic computer training, which was funded by FÁS (the former national jobs and training agency), through the local Employment Centre, in 2008. This proved to be key to improvements in the quality of its products. Consequently, IDEAS was further invited to follow-up with teamwork skills training, *Workplace Innovation* and the introduction of team working. Certificates for this accredited training were presented to all participants in both training programmes. ⁴⁴

⁴⁴ See footnote 42

Since the introduction of these training programmes and *Workplace Innovation* techniques, the plant has ‘held its own’ in the ‘internal’ global company competitiveness, through this up-skilling of the workforce and through computer training, which started in 2002, and by meeting key quality targets

As a result, an assessment of the manufacturing process was undertaken and a number of key changes were made to make the manufacturing process more efficient, such as re-designing the storage facility for the punch-tools with the setting up of a dedicated tool store, thus substantially cutting the time needed to change these tools. ⁴⁵

We are confident that these training programmes, along with continued up-skilling of employees and the further development to our Joint Union Management Partnership Model will secure jobs and contribute to our operating profitably here at Letterkenny into the future. ⁴⁶

The plant has now been almost completely computerised and paper work has been reduced to a minimum, so digitalisation has been an advantage for the workforce and has now become part of the plant

culture. For example, all monitoring is now 'on-screen' around the site and it is now possible to monitor any machine from anywhere in the plant. Workers have both the ability and the technology to input "live" data, allows production information to be continually monitored and ensures timely corrective action can be taken as needed.

Quality control has also been devolved to the work-team and to individual employees, thus the supervisory/middle management function became redundant, thus eliminating this level of staff and, together with the introduction of new automated technologies, the plant is now more effective and this has contributed to its survival within the wider Kirchhoff family of sites. It is envisaged that, in the future, employees will have higher skills and be more technically proficient.

Operators now monitor machine performance and are now able to highlight potential maintenance problems before they lead to production downtime. The culture of trust within the company is critical to how these systems are:-

- Perceived by the workforce,
- Understood and used – with an agreed focus on machine availability rather than operator performance. Operators are encouraged to report/highlight problems and faults.

Another key change was the realisation that there was a perceived imbalance at internal review meetings, as it was felt that the management team were better able to present data and make a case to support certain actions with a cost-benefit analyses, while worker members, for example, a production operator or a fork-lift driver, would not have these skills. As a direct result of this observation, specific training was developed and delivered by The IDEAS Institute to redress the imbalance thus improving the effectiveness of these meetings.

⁴⁵ Depending on the complexity of the tool, the number of stages in the tool design, the multi-stage progression

dies for the bigger presses could weigh up to 2 tonnes and have to be changed using specially designed fork-

lifts

⁴⁶ Quoted from address by Seán McDermott, General Manager, speaking at the certificate award ceremony, November, 2010

There is general agreement that staff are looked after very well by the company and there is now a culture of 'ask questions' at staff meetings ('put your hand up!'). There are also 'brain-storming' meeting, looking for new ideas and further efficiencies, which have proved very popular. IDEAs also provided training in negotiation skills and in making presentations, which has been a 'game-changer' in building confidence for the participation of employees in these meetings.

COVID has had a major impact on the company. The pandemic resulted in a major decline in demand for cars and this had an impact of production in this plant. Initially it had to close under Government regulations, but, as some of its products were essential for the production of ambulances manufactured by Fiat, it partially opened to provide these essential parts. For example, the plant had a turnover of €30 million pre-COVID, in 2019, with a workforce of 70 employees. In 2021, turnover fell to €9 million and a workforce of 54 employees.

7 Main findings of the SIPTU DIRECT 2 study

1 Joining the EEC/EU in 1973 has resulted in Irish employment relations moving closer to the continental European model of corporatism, with a greater emphasis on social dialogue, employee participation and a joint management/worker approach to problem solving and commercial challenges. This transition has been facilitated by EU Directives across a range of workplace issues, including health and safety, employee rights to information and to be consulted on specific workplace issues and a particle recognition, under certain

circumstances, that workers be represented on the governing boards of transnational enterprises operating with the EU.

2. The Irish case studies show in practice how, in times of commercial challenges, there is now a willingness of enterprise management and for trade unions to shift towards greater co-operation, to work together to safeguard, not just the enterprise, but also employment. They also show how the educational levels in the Irish workforce have increased in recent decades, with an emphasis on technical skills and the enthusiasm for further educational advancement.

3. These case studies also show that a joint management/worker, *Workplace Innovation* approach, enabled by an independent, impartial and experienced facilitator, makes the change process more successful and encourages 'by-in' from everyone. Some middle-management or workers representatives may, initially, be sceptical of any change to the traditional employment relations culture they are comfortable with and such facilitation needs to win them over to participate in the change process. If there is a reluctance to engage by either side in the DP process, then it will not succeed!

4. In the modern globalised economy, few businesses are now local, so to survive in ever-competitive global markets, dominated by large multi-national companies (MNCs), Irish enterprises, including subsidiaries of global companies operating in Ireland, have to adopt the latest and most up-to-date technologies to survive, requiring substantial investments, not just in the technology hardware and software, but also in the skills required, in training and in the reorganisation of production systems. This is particularly important in the Irish economy, which is so dependent on global technology and software MNCs and on the application of new technologies across all sectors and across all skill levels.

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ANNEX 1

ANALYSIS OF SURVEY QUESTIONNAIRES FROM MANAGEMENT AND EMPLOYEES AT ENTERPRISE LEVEL

I THE ENTERPRISE

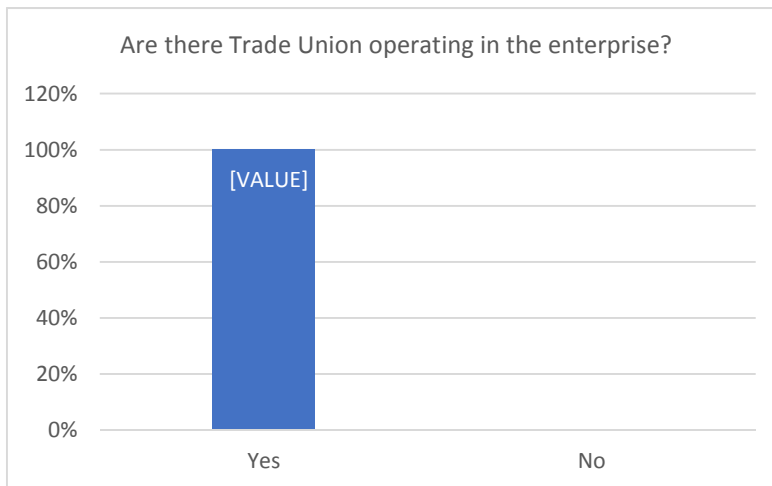
1. Overall, the enterprise operates in the following business sector:

- i. Pharmaceutical
- ii. Manufacturing
- iii. Medical devices
- iv. Chemical Industry
- v. Manufacturing adhesives

2. How many are employed in the enterprise?

Pharmaceutical	1350
Manufacturing	320
Medical devices	1500
Chemical Industry	200

3. Are there trade unions operating in the enterprise?

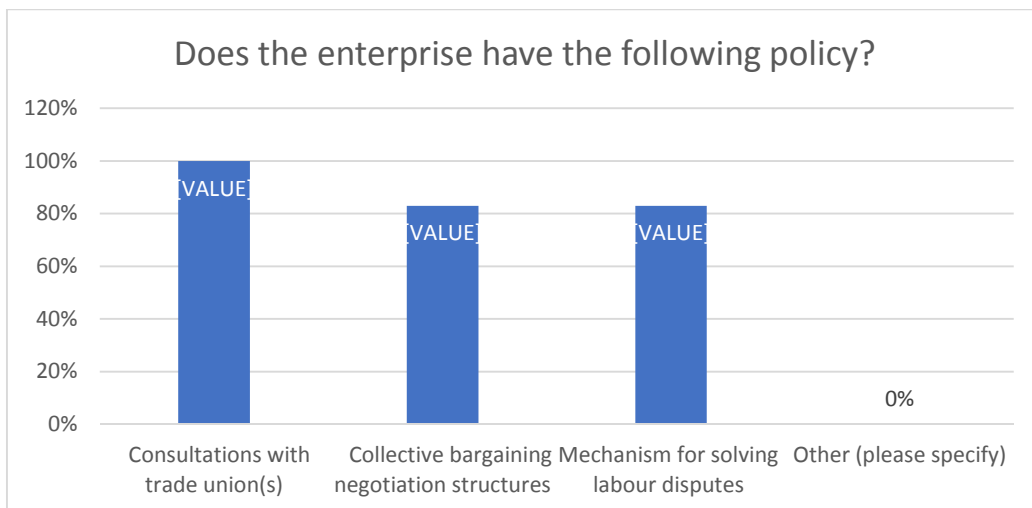


What percentage of the workers employed in the enterprise are Trade Union members.

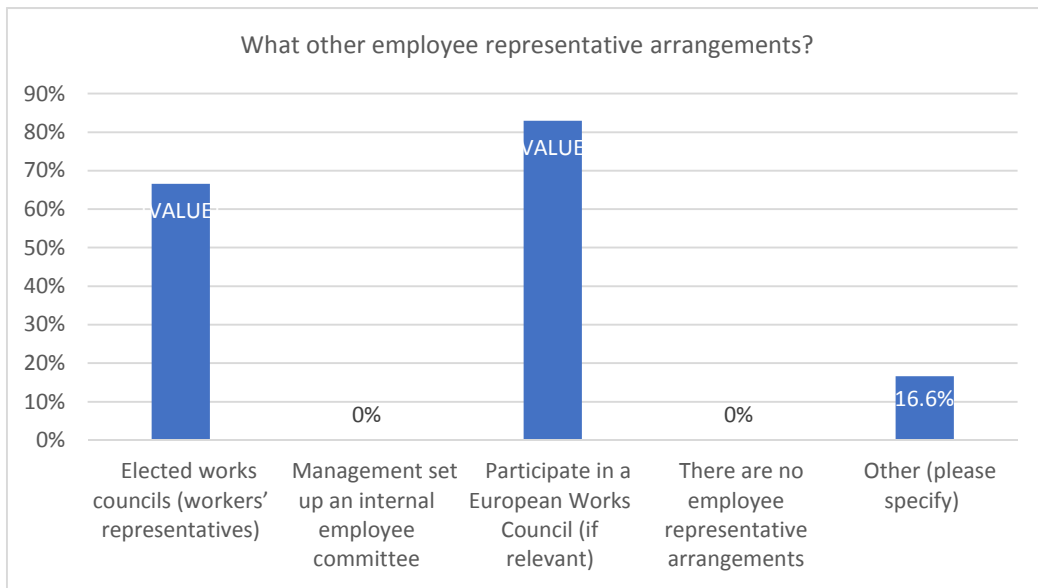
On average 44.8% are trade union members in each sector.

II EMPLOYMENT RELATIONS

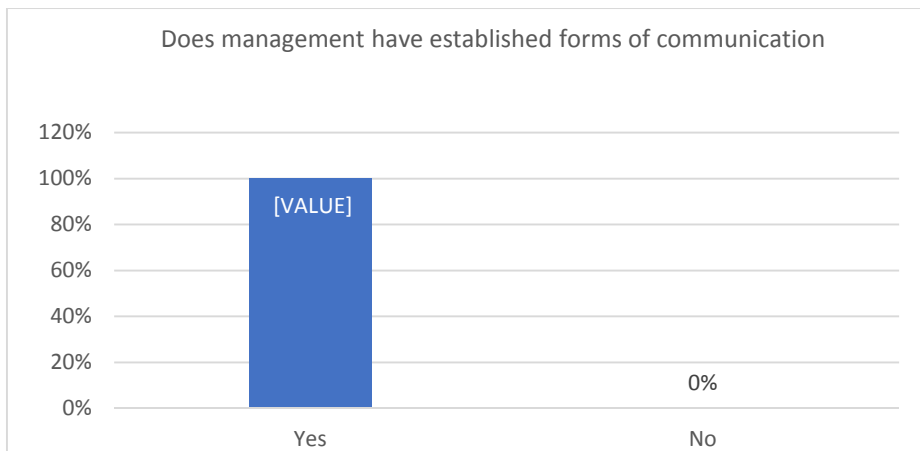
4. Does the enterprise have any of the following forms of social dialogue in place? (Please tick all relevant boxes):



5. What other employee representative arrangements, if any, does the enterprise have? (Please tick all relevant boxes):



6. Does management have established forms of communications with workers in the enterprises?



If 'Yes', what form(s) of communicate is used? (Please tick all relevant boxes):

a. Regular in-company magazine/newspaper	50%
b. Leaflets / brochures / memos	16.6%
c. Notice boards	100%

d. Pre-shift 'tool-box' meetings	16.6%
e. Regular in-company videos	33%
f. Online (intranet, texts, e-mails, etc.)	66.6%
g. Through trade union channels	83%
h. Through other workers' representatives	0%
J Management briefings (e.g., 'town hall' style meetings) by: <ul style="list-style-type: none"> o Senior management 100% o Middle management 33% o Supervisors 0% 	
k Other (please specify)	16% specified: <i>"Pre-Shift Team Meetings"</i>

If 'Yes' to any of the above forms of communications, what topics are covered (please tick all relevant boxes):

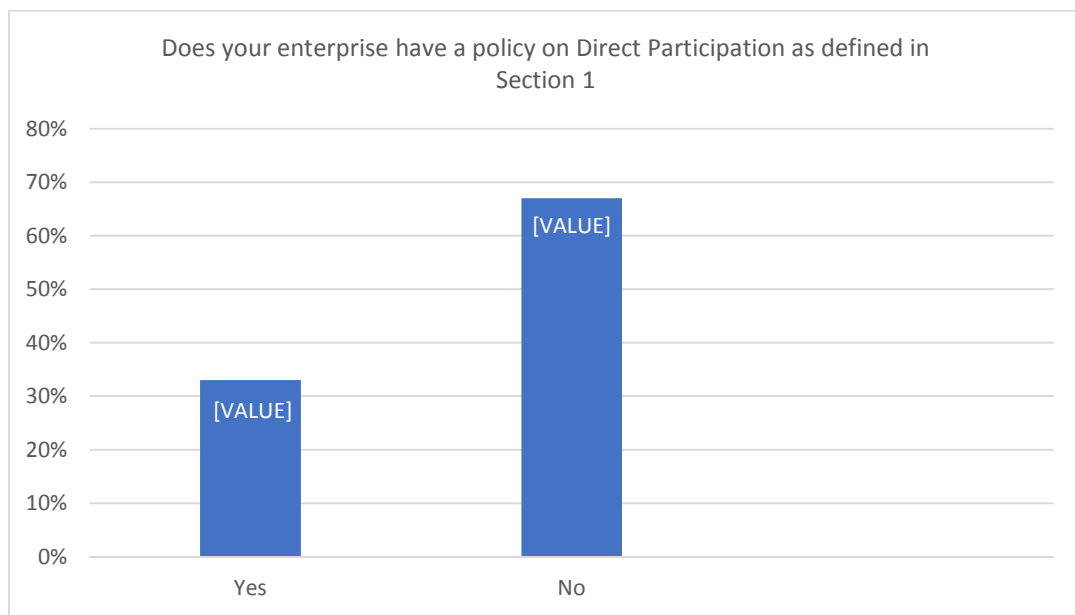
a. Production / sales	83%
b. Financial / economic	100%
c. Business development plans	83%
d. Employment trends	16.6%
e. Workforce training and development	33%
f. Technology	50%

g. Organisational changes	83%
h. Other (please specify)	0%

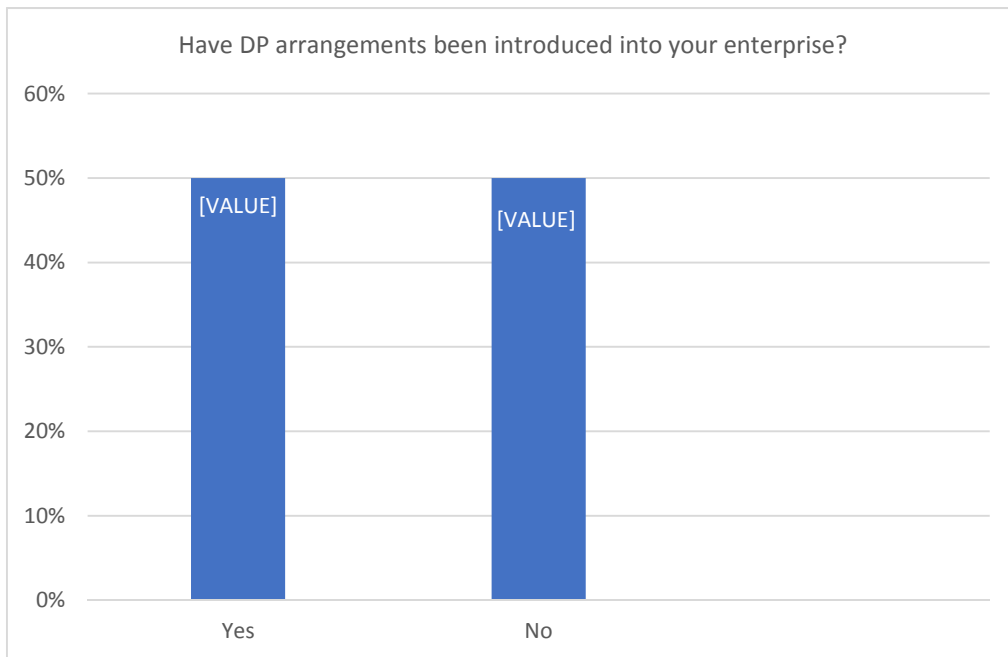
III DIRECT PARTICIPATION (DP) ARRANGEMENTS

7. Does your enterprise have a policy on Direct Participation (DP) as defined in

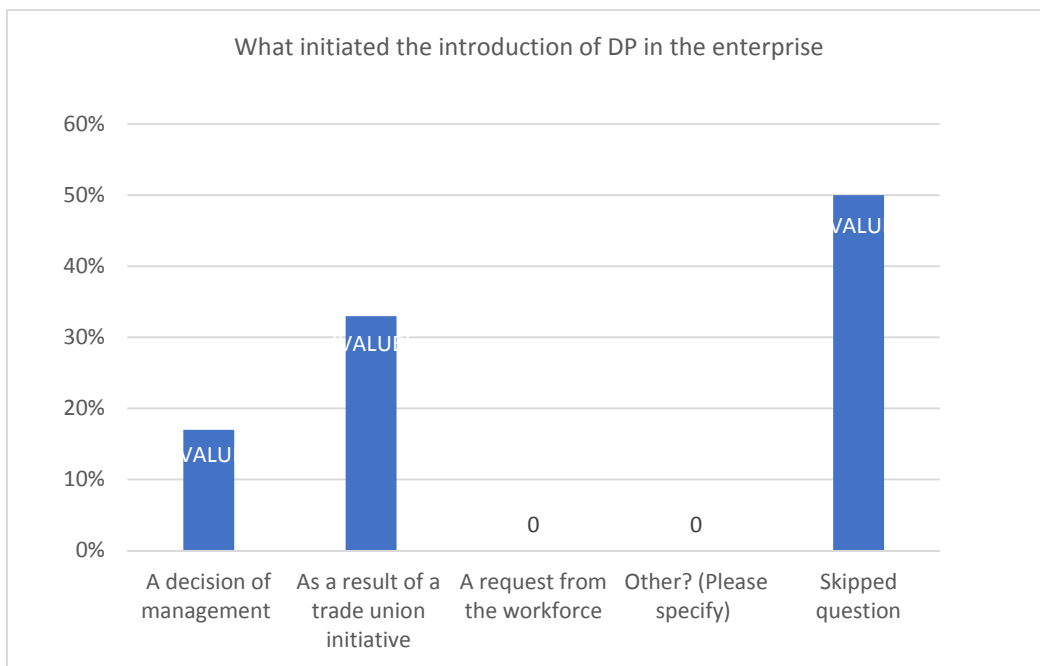
Section I?



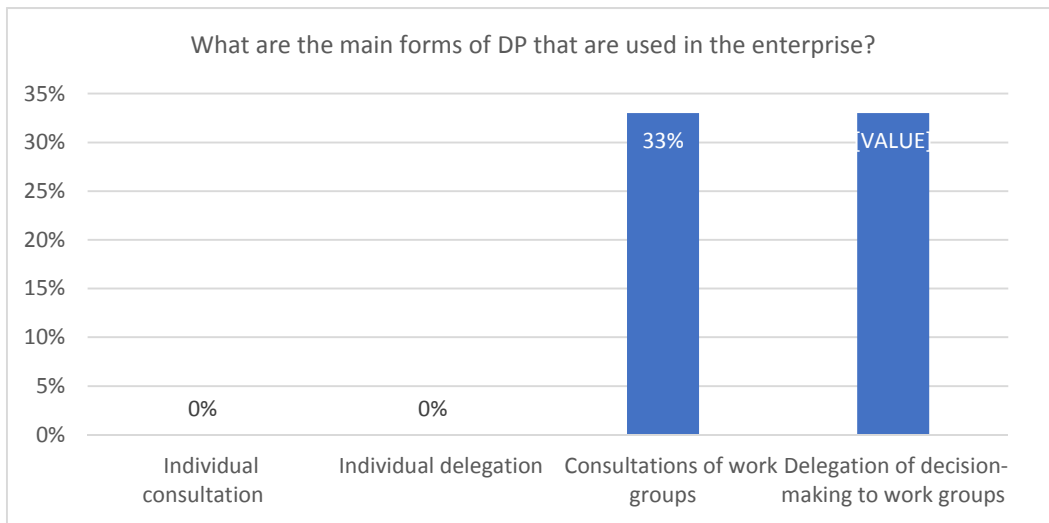
8. Have DP arrangements been introduced into your enterprise?



9. What initiated the introduction of DP in the enterprise?



10. What are the main forms of DP that are used in the enterprises – see definition in Introduction (please tick all relevant boxes)?



11. Concerning the introduction and implementation of DP into your enterprise, what form of communications and/or involvement was there between management and the trade union(s)? (Please tick all relevant boxes):

a. The trade union(s) was <u>informed</u>	0%
b. The trade union(s) was <u>consulted</u>	16%
c. There were <u>negotiations</u> between management and the trade union(s)	16%
d. The trade union(s) was not involved	16%
e. There was an <u>agreement</u> (independent of provisions in any collective agreement)	16%
f. There was no communication from management	0%
g. Other (please specify)	16% specified that it was a union led

	initiative.
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12. Were there communications concerning DP by management to other workers' representative arrangements (referred to in Question 5)? (Please tick all relevant boxes):

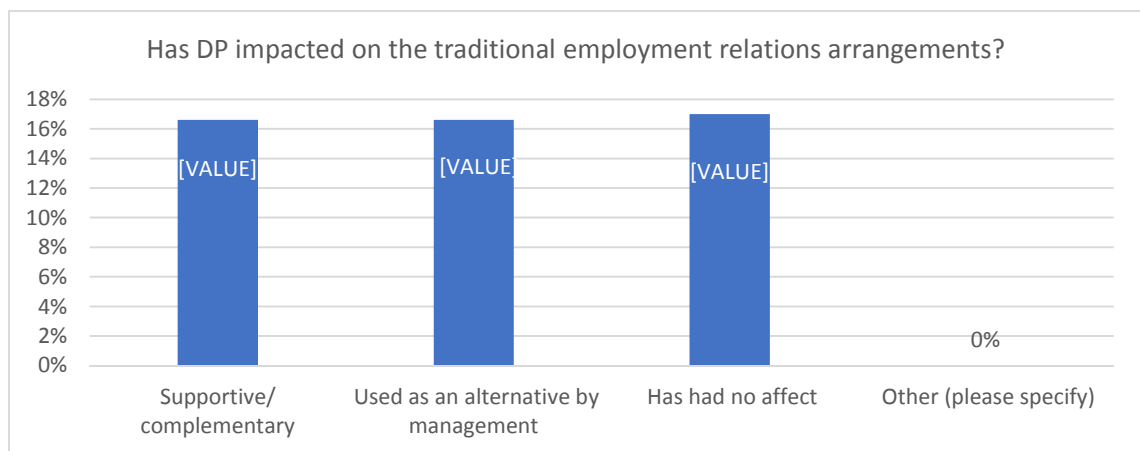
a. Worker's representatives were <u>informed</u>	0%
b. Worker's representatives were <u>consulted</u>	33%
c. There were no communications from management	0
d. Others (please specify)	16% specified that it was a union led initiative.

13. Following the introduction of DP into the enterprise, are the following involved in its day-to-day implementation? (Please tick all relevant boxes):

Consultation:	
a. Work teams/groups	33%
b. Individual employees	16%
c. Supervisory staff	16%
d. Trade unions	0%

e. Works Council	16%
f. Other (please specify)	0%
Delegation:	
a. Work teams/groups	16%
b. Individual employees	16%
c. Supervisory staff	16%
d. Trade unions	16%
e. Works Council	16%
f. Other (please specify)	0%

14. Since its introduction, how has DP impacted on the traditional employment relations arrangements (e.g., collective bargaining; joint management/trade union committees; health and safety committees, works councils, etc.)? (Please tick one box)



IV DP AND WORKING CONDITIONS

15. Did the introduction of DP (at both or either 'individual' and 'work group/work team' levels) result in changes to the organisation of work, such as? (Please tick all relevant boxes):

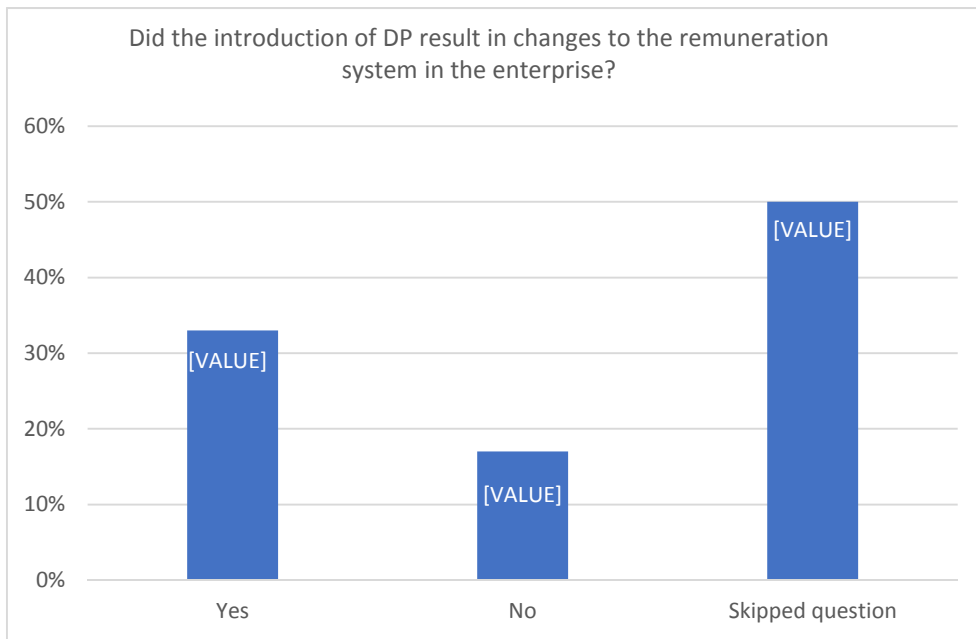
a. Improvement of qualification levels of the workforce	0%
b. Improvement of work organisation	17%
c. Improvement in workplace health/safety levels	17%
d. Improvement in the work environment and in worker wellbeing	33%
e. Better working time arrangements	17%
f. Better work-life balance	0%
g. Increasing job satisfaction and motivation	17%
h. Others (please specify)	0%

16. Did the introduction of DP have any negative impacts, such as? (Please tick all relevant boxes):

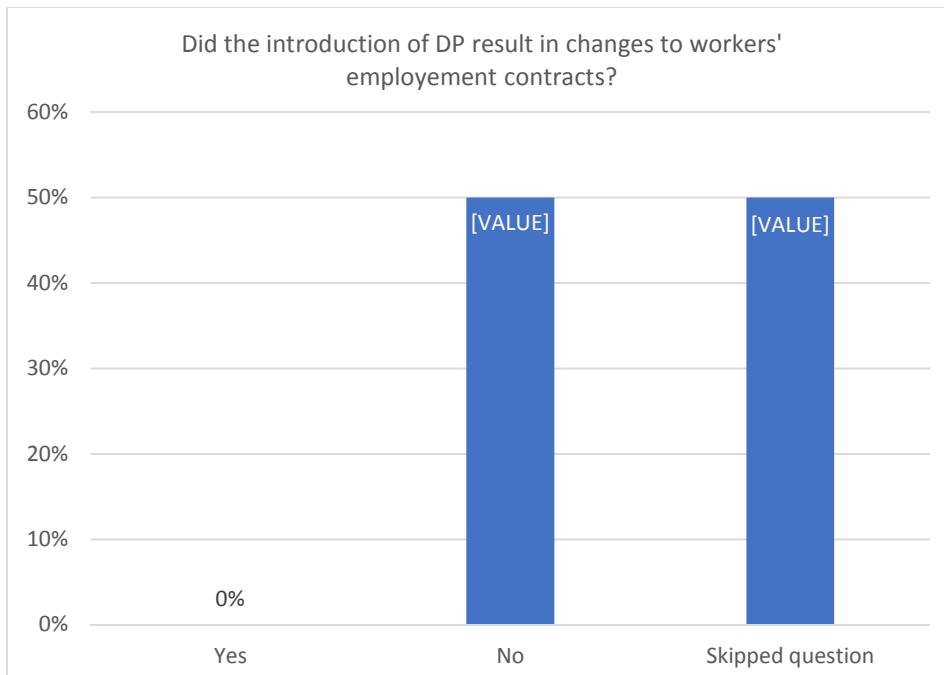
a. Increased work intensity	0%
b. Increased workplace stress	0%
c. Changed working time arrangements	0%

d.	
e. More responsibility without improved working conditions	0%
f. More responsibility without increased remuneration	17%
g. Less collective action/solidarity in industrial relations	0%
h. Other (please specify)	<p>Only 25% of the respondents specified.</p> <p>The summary of the comments is as follows:</p> <p><i>“No changes in any of the above options A to G”.</i></p>

17. Did the introduction of DP result in changes to the remuneration system in the enterprise?

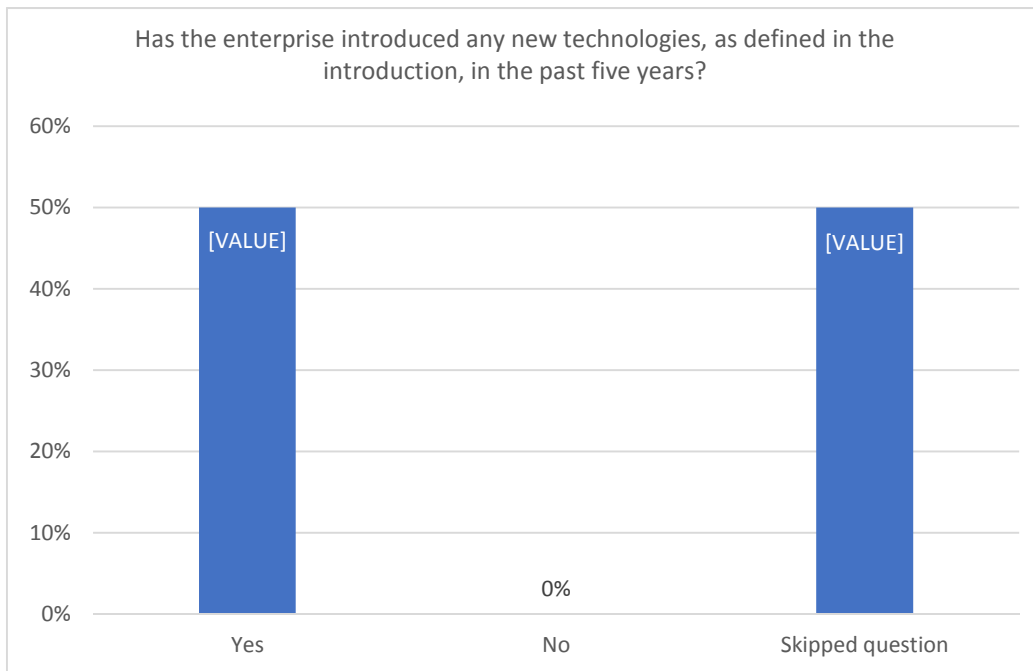


18. Did the introduction of DP result in changes to workers' employment contracts?



V NEW TECHNOLOGIES

19. Has the enterprise introduced any new technologies, as defined in the introduction, in the past five years?

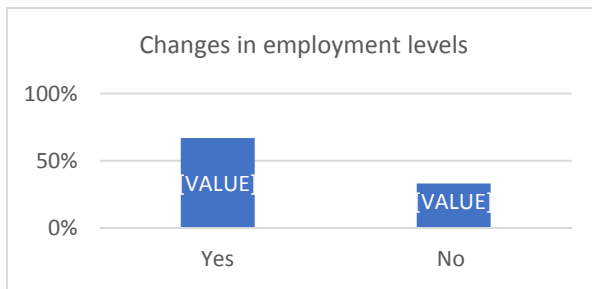


If 'Yes', what forms of new technologies have been introduced? (Please tick all relevant boxes):

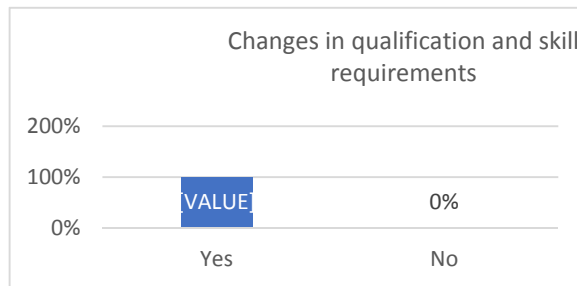
a. Automation	50%
b. Communications	17%
c. Computer hardware	17%
d. Intranet	0%
e. Platform work (algorithms)	0%
f. Software	33%
g. Other (please specify)	0%

20. If the enterprise introduced new technologies in the past five years, did this lead to? (Please tick all relevant boxes):

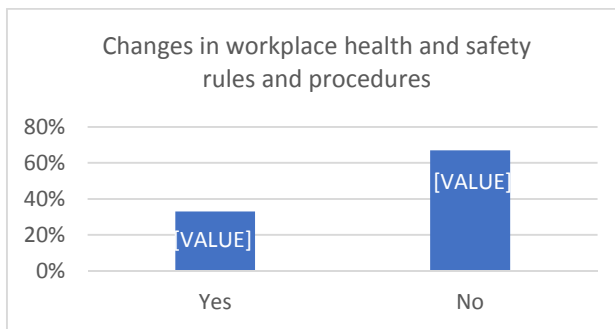
a. Changes in employment levels



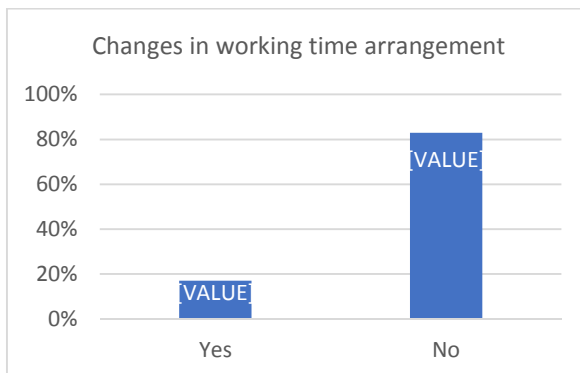
b. Changes in the qualification and/or skill requirements



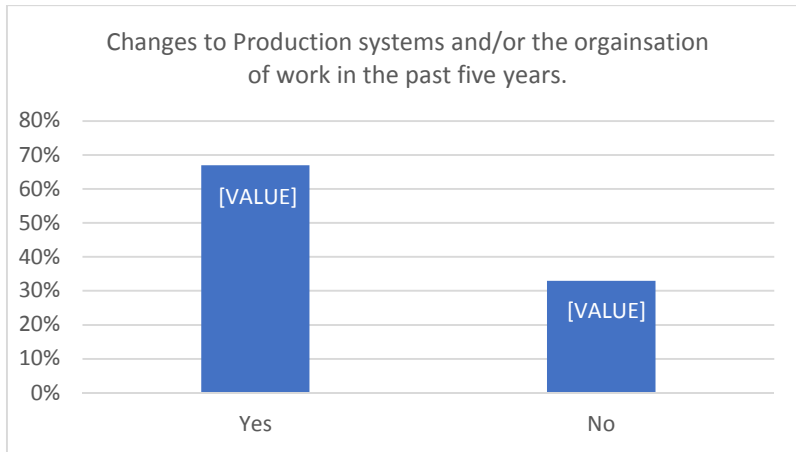
c. Changes in workplace health and safety rules and procedures



d. Changes in working time arrangements



21. As a result of the introduction of new technologies, did the enterprise introduced new forms of production systems and/or changes to the organisation of work in the past five years?



If 'Yes', please outline (please tick all relevant boxes):

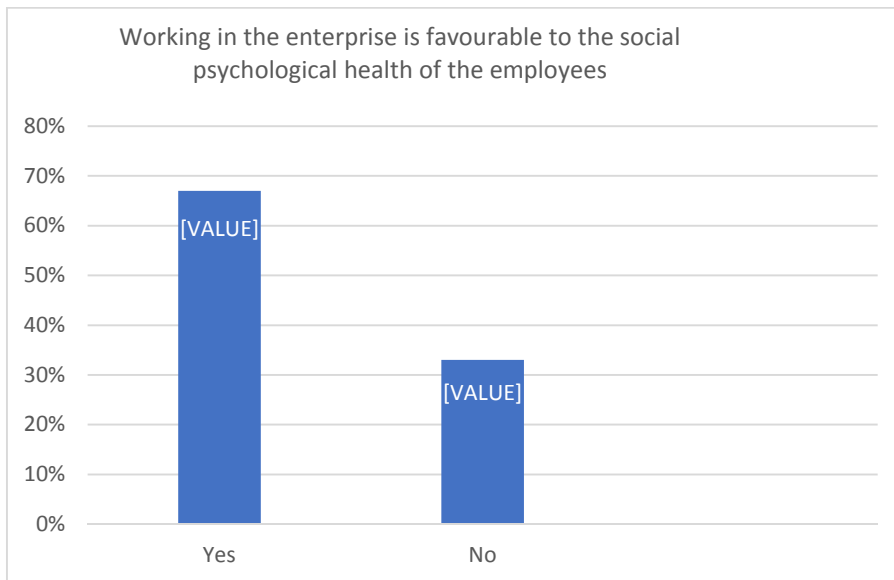
A. Production systems	
a) Lean production	50%
b) Just in time	
c) Total Quality Management (TQM)	
d) World Class Manufacturing (WCM)	33%
e) Other (please specify)	
B. Work organisation	
a. Work groups / Team working	50%
b. Job enrichment	
c. Job rotation	17%
d. Other (please specify)	

22. If the implementation of new technologies led to changes in the terms of employment contracts, please describe in few sentences the main changes:

Summarily: more interaction with lean manufacturing people

VI HUMANISING THE WORKPLACE

23. In your opinion, working in your enterprise is favourable to the social and psychological health of the employees?

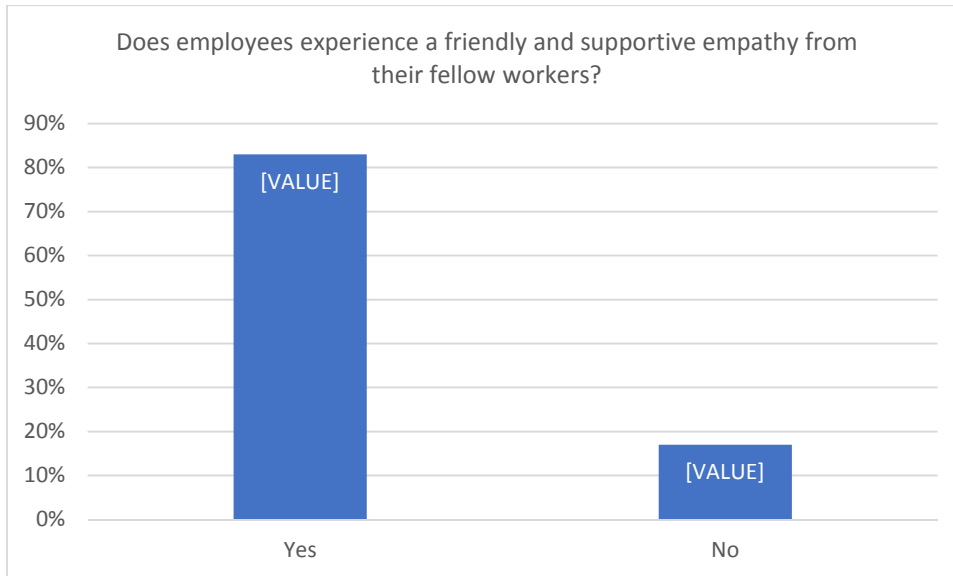


Please elaborate on your response:

The following are summary of responses received under this question

- ✓ *“There were some issues with work life balance highlighted in a recent employee engagement survey, but we understand there is a strong levels of job satisfaction and opportunities for growth. We also have a wellbeing strategy in place”.*
- ✓ *“Teamwork, collaboration & engagement”*
- ✓ *“Everyone is given an opportunity to contribute if they wish and are recognised for positive contributions”*

24. Do employees experience a friendly and supportive empathy from their fellow workers?

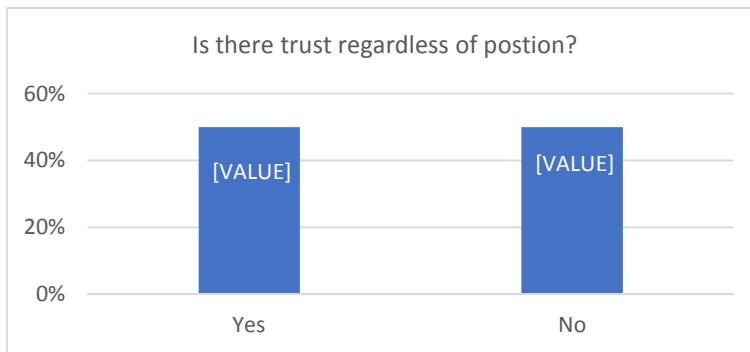


Please elaborate on your response:

The following are summary of responses received under this question

- ✓ “We try to promote this not just within a colleague’s direct team but also cross functionally”
- ✓ “Everyone looks out for others here and helps out as required”
- ✓ “We are all working together over 15 years (constant influx of temps on a 2 year contract) and have all got friendships of some level, at times we might not get on or agree but in general we look out for each other”

25. In your opinion is there a trust-based, constructive, relationship between employees, regardless of their position, level or management/supervisory roles in the enterprise (i.e., hierarchical relationships)?

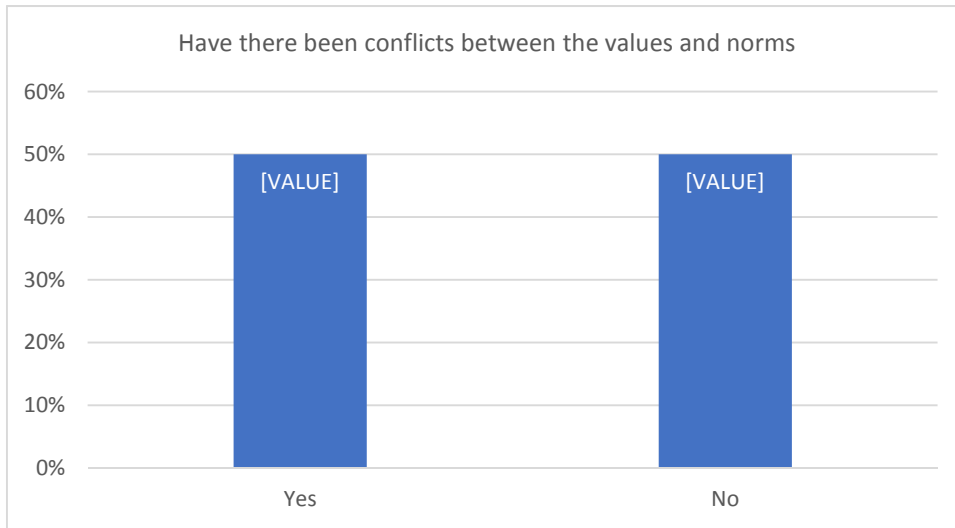


Please elaborate on your response

The following are summary of responses received under this question:

- ✓ *“Overall, I would say yes. Although there is a likely a small population of colleagues who do not have trust in senior management”.*
- ✓ *“Decreases as you rise through the Organisation”.*
- ✓ *“There is a lack of trust between some members of the trade union and management that causes difficulties in terms of effecting change and having a positive working relationship”.*
- ✓ *50% of the respondents specified that there is very little trust between management and the unionized members.*

26. Have there been conflicts between the values and norms that guide individual employees in your life and those that actually apply in the enterprise (social and psychological work-life balance)?



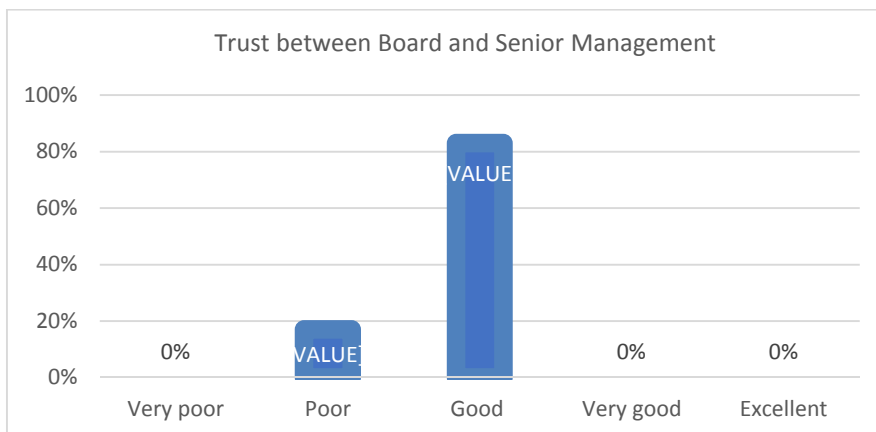
Please elaborate on your response:

The following are summary of responses received under this question:

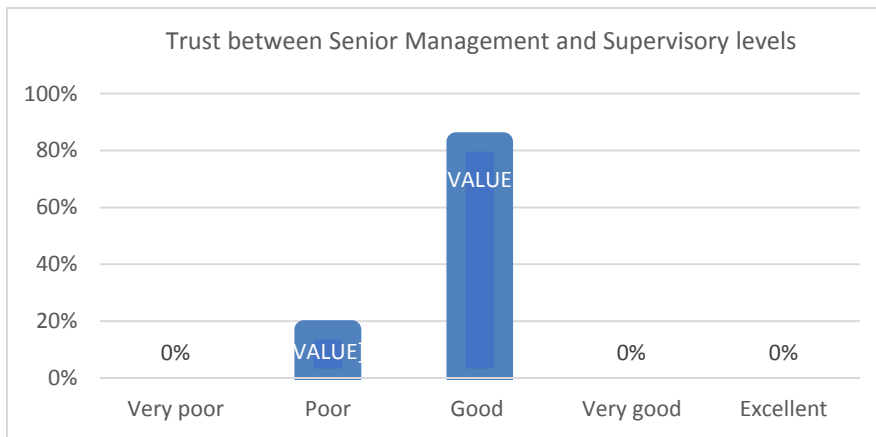
- ✓ “Work life balance was highlighted as an issue in a recent employee engagement survey”.
- ✓ “Different values at different levels can lead to conflicts”.
- ✓ “shift members”

27. How would you rate the trust levels between the following?

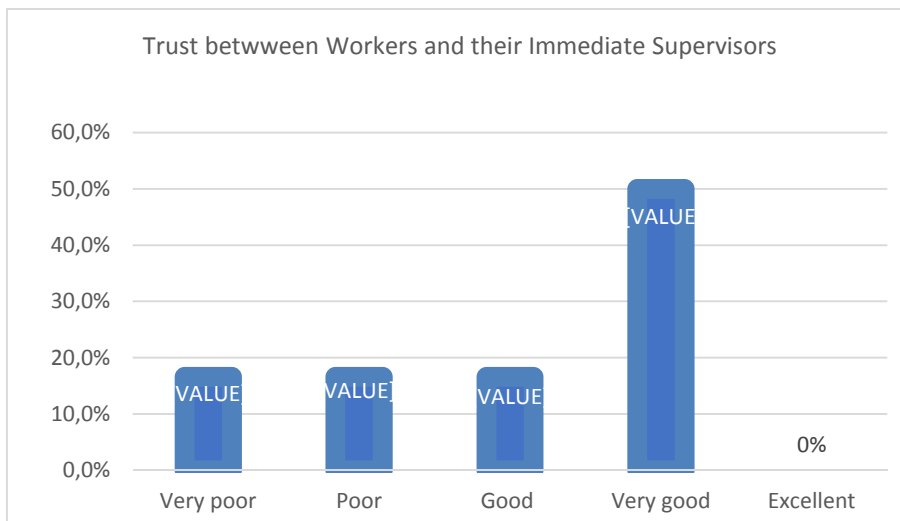
a. The board and senior management of the enterprise:



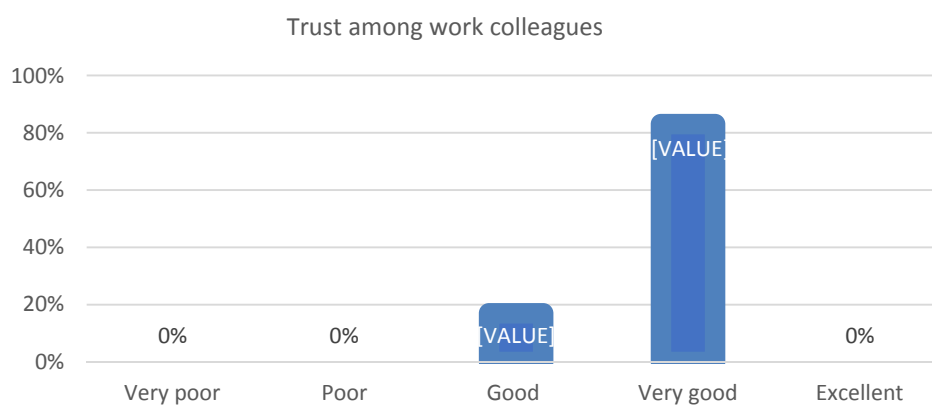
b. Senior management and supervisory levels:



c. Workers and their immediate supervisors:

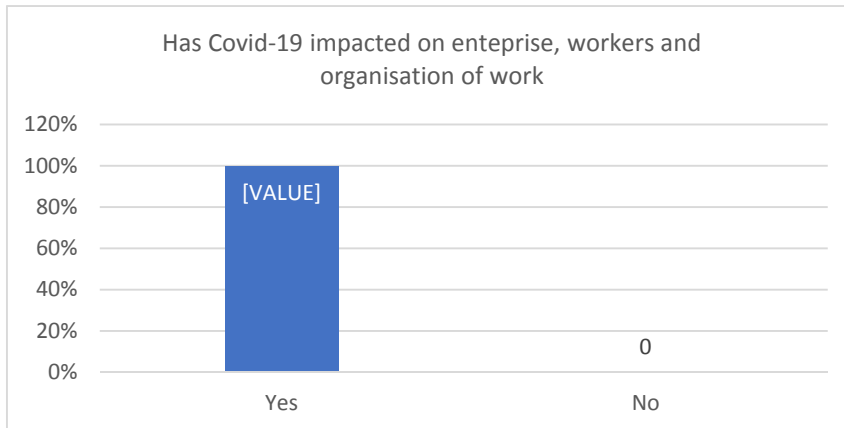


d. Workplace colleagues:



VII COVID-19

28. Has the onset of the COVID-19 global pandemic impacted on the enterprise, its employees and on the organisation of work?

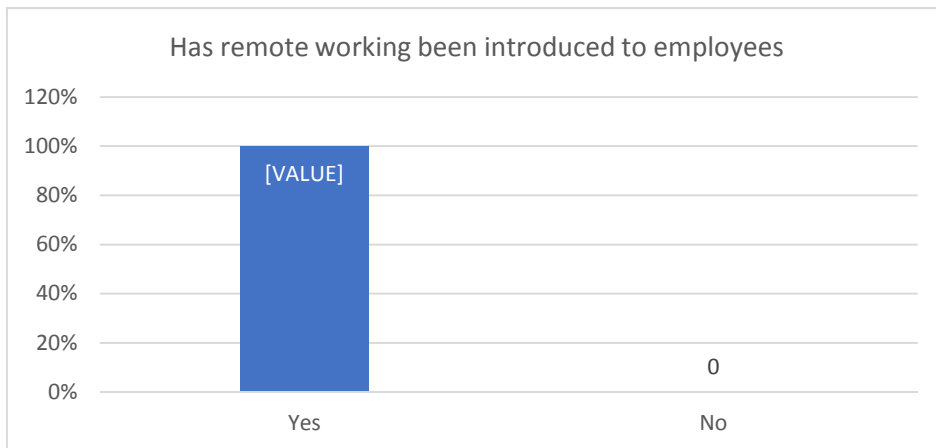


If 'Yes', please specify:

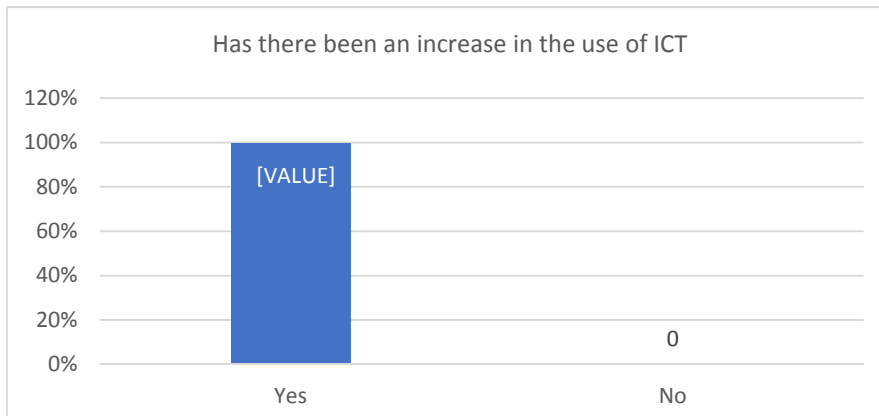
The following are a summary of what was specified:

- ✓ *"Pharma - so no impact to jobs etc thankfully but half the workforce are working from home all the time and some are hybrid".*
- ✓ *"Social distancing & team activities are very challenging".*
- ✓ *"Has led to division across the enterprise as usual methods of communication were not possible".*
- ✓ *"Different ways of working, lack of social interaction, difficulty communicating and getting a sense of how the employees are feeling on the grounds".*
- ✓ *"Absence levels, stress levels with positive test of employees"*
- ✓ *"Working from home"*

29. Has remote working been introduced for employees in your enterprise (i.e. working from home):



30. Has there been an increase in the use of ICT by the enterprise and workforce (as defined in the Introduction)?



If 'Yes', what types of ICT are being used (please tick all relevant boxes):

a. Internet / Intranet	50%
b. Mobile 'phones	50%
c. Texting	17%
d. E-mails	50%
e. Videoconferencing	100%
f. Social media portals	17%

31. What kind of measures has the management have to focus on in agreeing changes to work organisation, due to the pandemic?

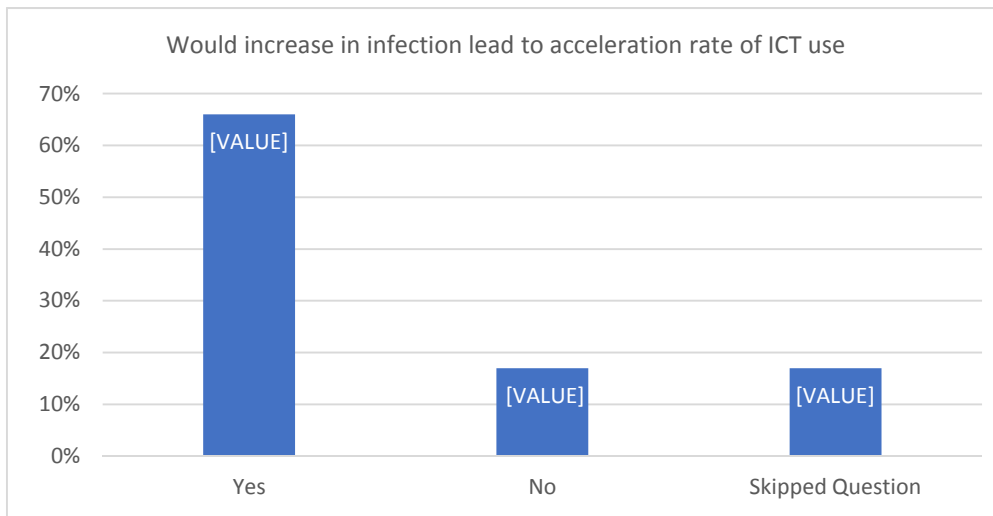
a. Prevention of workplace infections	100%
b. Introduction of smart working	0%
c. Short-time schemes to avoid job losses	17%
d. Others (please specify)	17% specified that their times were alternated

32. What role, if any, do the enterprise's occupational health and safety committee and the management have in the implementation of COVID-19 regulations?

The following are the summary of what was specified:

- ✓ *"For our site a full time COVID lead was appointed from the mid management level, and they have led the COVID restrictions onsite. We have partnered with our OH provider for guidance also".*
- ✓ *"Contribute"*
- ✓ *"Set policy"*
- ✓ *"Management determine the COVID protocols for the site"*
- ✓ *"Covid taskforce are made up of safety reps, management, and H&S SHE members".*
- ✓ *"Union members directly involved with covid task force teams".*

33. Do you think that the risk of infection in the workplace will result in the acceleration in the use of ICT?



34. Do you think that the risk of COVID-19 infection, combined with the increased use of ICT, could accelerate the implementation of DP in enterprises?

